

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

**Gary and Helen Wilkinson,**  
Petitioners-Appellants.

v.

**Keokuk County Board of Review,**  
Respondent-Appellee.

**ORDER**

**Docket No. 11-54-0023**  
**Parcel No. SGCOS-084200**

On February 9, 2012, the above-captioned appeal came on for hearing before the Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2) and Iowa Administrative Code rules 701-71.21(1) et al. The Appellants Gary and Helen Wilkinson were self-represented. The Keokuk County Board of Review is represented by Keokuk County Attorney John E. Schroeder. The Appeal Board having reviewed the record, heard the testimony, and being fully advised, finds:

***Findings of Fact***

Gary and Helen Wilkinson are the owners of a residential, single-family property located at 418 North Jefferson Street, Sigourney, Iowa. The property is a two-story, frame home, built in 1886, and has 2249 square feet of total living area. The property has a partial basement with no finish. There are two enclosed porches of 81 and 27 square feet, and one open porch of 24 square feet. Additionally, there is a 500 square-foot, two-story, detached garage/barn<sup>1</sup> built in 1886. The second level of this structure is unfinished. The site is 0.218 acres.

The Wilkinsons protested to the Keokuk County Board of Review regarding the 2011 assessment of \$97,080, which was allocated as follows: \$8640 in land value and \$88,440 in

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<sup>1</sup> At hearing the Wilkinson's asserted this structure was a barn, although the property record card lists it as a garage.

improvement value. Their claims were based on the following grounds: 1) that the assessment was not equitable as compared with the assessments of other like property under Iowa Code section 441.37(1)(a); 2) that the property was assessed for more than the value authorized by law under section 441.37(1)(b), asserting the property was over-assessed by \$35,000; 3) that the properties are not assessable, are exempt, or misclassified under Iowa Code section 441.37(1)(c), asserting a second structure on the site was incorrectly listed as a residence rather than a barn; and 4) that there is an error in the assessment under section 441.37(1)(d), reasserting the concern with the barn structure; and 5) that there has been a change downward in the value since the last assessment under sections 441.37(1) and 441.35(3). In a re-assessment year, a challenge based on downward change in value is akin to a market value claim. *See Dedham Co-op. Ass'n v. Carroll County Bd. of Review*, 2006 WL 1750300 (Iowa Ct. App. 2006). Accordingly, we do not consider downward change as a separate claim.

The Board of Review granted the protest in part by correcting the second improvement from a “dwelling” to a “detached garage.” It reduced the assessment to a total value of \$79,390, allocated as \$8,640 in land value and \$70,750 in improvement value.

The Wilkinsons then appealed to this Board, reasserting their claims of inequity and over-assessment.

At the Board of Review, the Wilkinsons presented eleven properties they considered as comparable to their property. Six of the properties were one-story homes, including a double-wide manufactured home, compared to the subject’s two-story, frame construction. Additionally, there was a commercially classified property compared to the subject’s residential classification. We do not find these seven properties to be reasonably similar to their property.

The remaining four properties are all two-story homes, built between 1879 and 1916, compared to the subject property’s year built of 1886. They are located at 415 N Jefferson Street, 601 N

Jefferson Street, 507 N Jefferson Street, and 415 N Main Street. The Wilkinsons provided one-page printouts from the Beacon<sup>2</sup> website for each property. The following is a summary of the properties.

Address	2011 Total Assessed Value	Gross Living Area (GLA)	Detached Garage	Assessed Value/SF
Subject	\$79,390	2249	1000	\$35.30
415 N Main St	\$70,960	1716	440	\$41.35
414 N Jefferson St	\$62,660	1616	528	\$38.77
415 N Jefferson St	\$99,080	2227	1008	\$44.49
507 N Jefferson St	\$72,923	2560	720	\$28.49

The Wilkinsons did not make any comparisons between these properties and their property in support of either a claim of inequity or over-assessment. None of the properties are recent sales. We note the total, unadjusted assessed values per square foot range from \$28.49 to \$44.49, with a median of \$40.06. The subject's total assessed value per square foot of \$35.30 is within this unadjusted range and below the median. This unadjusted analysis does not appear to indicate the property is over-assessed compared to other similar properties.

The Wilkinsons believed the location of their property was not properly considered in the valuation process. They contend they are surrounded by less than desirable activity such as grain hauling and storage, feed stores traffic, and concrete contractors. They supplied a hand-drawn map of their house in relation to these other properties. They did not provide a map indicating where the selected comparables were located in relation to these same externalities, so it is unknown whether the offered comparables would need a location adjustment.

Lastly, the Wilkinsons were concerned the assessor had originally valued their property at \$105,960. They supplied the original notice of assessment dated March 31, 2011, which indicated a total value of \$105,960, allocated \$8640 to the land and \$97,320 to the improvements. Both the Wilkinsons testified the assessor visited their property; however, they were less than satisfied with his demeanor and tone during the visit. They indicated he revalued the property after this inspection and a

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<sup>2</sup> The Beacon website is a public portal providing information on assessments in the Keokuk jurisdiction. It is maintained by the Keokuk Assessor's office.

second assessment notice dated April 5, 2011, was sent to them. This second assessment indicated a total value of \$97,080. This is the value they protested to the Board of Review, and the Board of Review reduced to the total assessment of \$79,390.

The Board of Review submitted seven properties it considers as comparable. These properties include three of Wilkinsons' four comparables. All the Board of Review properties are located between the 300 and 500 block of N Jefferson. All are two-story properties in above-normal condition, similar in age, size, and grade, as well as being located within one-quarter mile from the subject. The Board of Review submitted several spreadsheets arraying the properties. The first spreadsheet arrays the properties out by address location from south to north. The layout of this spreadsheet provides no beneficial analysis of the sales.

The second spreadsheet is arrayed by assessed *improvement value* per square foot of living area and includes the subject property. This element of comparison results in a range of \$24.42 to \$42.62, with the subject property's assessed improvement value per square foot being \$31.46, which is near the mid-point. The median assessed improvement value per square foot, including the subject property, is \$34.10. Excluding the subject property the median is \$36.74. Similar to the comparables supplied by the Wilkinsons, we find this unadjusted analysis does not support a claim of inequity or over-assessment.

The Board of Review also supplied an aerial map with the subject property and each of its comparables highlighted. We note they are all near the subject property, and several share similar proximity to the feed/grain and concrete contractors. One property appears to back directly to a commercial property and abut its parking lot. We find the aerial useful and note that it appears several of the comparables have similar views and location to the subject and the externalities mentioned by the Wilkinsons.

A letter written by the Keokuk County Assessor Ronald G. Richmond references a second map which he claims shows the breakdown of the front-foot values for the subject's area. This second map was not included in the exhibit list.

Also included in the Board of Review exhibits is an assessment history of the subject property and the Board's seven comparables from 2006 to 2011, along with a corresponding spreadsheet. Three comparables saw reductions in their 2010 to 2011 assessments, whereas the subject and four comparables saw increases in their 2010 to 2011 assessment. We note a mathematical error on the spreadsheet which changes the direction of value for one comparable. Correcting the error, the increases in the four comparables ranged from 5% to 15.80% with an average increase of 9.2% and a median increase of 5.4%. This is in comparison to the 42% increase realized on the Wilkinson property.

The Board of Review contends this spreadsheet indicates that in the years prior to the 2011 assessment, the subject property was "out of line" with other like properties in the area as demonstrated by the assessed *improvement value* per square foot from 2010 to 2011. The subject property's 2010 assessed improvement value per square foot was \$21.62, whereas the seven comparables indicated a range of \$29.70 to \$46.31, with a median of \$35.26. After the 2011 assessment, the subject property's assessed improvement value per square foot was \$31.46. The seven comparables' 2011 assessed improvement values per square foot ranged from \$29.48 to \$42.62, with a median of \$36.74. Based on this simple analysis it appears the subject property is currently assessed similarly to other like properties.

The Wilkinsons were reasonably concerned with what they considered a substantial increase in value compared to the total percentage increases in values of other like properties. We agree, when looking solely at the percentage of increase it is alarming. However, when considering other elements of comparison, such as the total assessed value per square foot, the subject property's increase seemed to have remedied a previously inequitable situation which favored the Wilkinsons.

Reviewing all the evidence, we find the preponderance of evidence does not support the Wilkinsons' claim that the property is either inequitably or over-assessed.

### ***Conclusions of Law***

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the

property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shriver*, 257 Iowa 575, 133 N.W.2d 709 (1965). The six criteria include evidence showing

“(1) that there are several other properties within a reasonable area similar and comparable . . . (2) the amount of the assessments on those properties, (3) the actual value of the comparable properties, (4) the actual value of the [subject] property, (5) the assessment complained of, and (6) that by a comparison [the] property is assessed at a higher proportion of its actual value than the ratio existing between the assessed and the actual valuations of the similar and comparable properties, thus creating a discrimination.”

*Id.* at 579-580. The gist of this test is the ratio difference between assessment and market value, even though Iowa law now requires assessments to be 100% of market value. § 441.21(1). The Wilkinsons did not provide sufficient evidence to support a claim of inequity under either *Maxwell* or *Eagle Foods*.

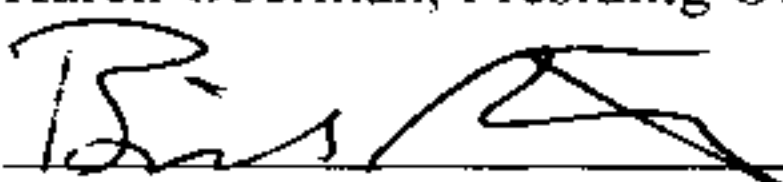
In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). The Wilkinsons’ evidence does not show that the property is assessed for more than authorized by law.

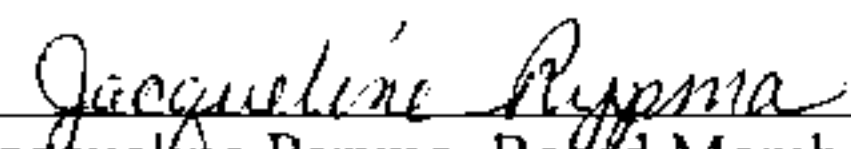
Therefore, we affirm the assessment of Gary and Helen Wilkinson’s property located at 418 W Jefferson Street, Sigourney, Iowa determined by the Keokuk County Board of Review, as of January 1, 2011.

THE APPEAL BOARD ORDERS the assessment of Gary and Helen Wilkinson's property, of \$79,390, as of January 1, 2011, set by Keokuk County Board of Review, is affirmed.

Dated this 6 day of March, 2012.

  
Karen Oberman, Presiding Officer

  
Richard Stradley, Board Chair

  
Jacqueline Rypma, Board Member

Cc:

Gary and Helen Wilkinson  
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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>3-6</u> , 2012	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	